

(C) A CREDIT IS NOT ALLOWED FOR:

- (1) A VEHICLE THAT IS NOT TITLED AND REGISTERED IN THE STATE;
- (2) PROPERTY INSTALLED ON A VEHICLE THAT IS NOT TITLED AND REGISTERED IN THE STATE; OR
- (3) ~~IN THE CASE OF REFUELING PROPERTY, PROPERTY THAT IS NOT LOCATED IN THE STATE~~ A VEHICLE WITH A GROSS VEHICLE WEIGHT OF MORE THAN 26,000 POUNDS.

(D) (1) THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE STATE INCOME TAX FOR THAT TAXABLE YEAR, CALCULATED BEFORE APPLICATION OF THE CREDITS UNDER THIS SECTION AND § 10-701 OF THIS SUBTITLE, BUT AFTER APPLICATION OF THE OTHER CREDITS ALLOWABLE UNDER THIS SUBTITLE.

(2) THE UNUSED AMOUNT OF THE CREDIT FOR ANY TAXABLE YEAR MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

(E) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, FOR PURPOSES OF DETERMINING MARYLAND TAXABLE INCOME, THE BASIS OF PROPERTY WITH RESPECT TO WHICH THE CREDIT UNDER THIS SECTION IS ALLOWED SHALL BE ITS BASIS FOR FEDERAL INCOME TAX PURPOSES.

10-706.

(b) (1) A credit under § 10-701.1, § 10-702, § 10-703, [or § 10-704.1] § 10-704.1, OR § 10-704.2 of this subtitle is allowed against only the State income tax.

(2) The county income tax is based on the amount of State income tax before the State income tax is reduced by the credit.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1995 and shall be applicable to all taxable years beginning after December 31, 1994 but before January 1, 1998; provided, however, that the credit under § 10-704.2 of the Tax - General Article shall be allowed only with respect to property placed in service on or after July 1, 1995. It shall remain effective for a period of 3 years and, at the end of July 1, 1998, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved May 9, 1995.